

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Annual Compliance Report, 2015

Docket No. ACR2015

CHAIRMAN'S INFORMATION REQUEST NO. 21

(Issued May 2, 2016)

To clarify the basis of the Postal Service's response, filed April 27, 2016,¹ to the Commission's request for additional information in its FY 2015 Annual Compliance Determination (ACD), the Postal Service is requested to provide a written response to this request no later than May 13, 2016.

Please refer to Item No. 1 of the Response, which addresses the Commission's finding that "Priority Mail Contract 135 and Parcel Return Service Contract 8 were not in compliance with 39 U.S.C. § 3633(a)(2)[,]" and the Commission's request for a report on the Postal Service's evaluation of these competitive domestic negotiated service agreements.² The Postal Service states that it expects both Priority Mail Contract 135 and Parcel Return Service Contract 8 to cover their costs for FY 2016. Response at 2. The Postal Service further states that based on its evaluation of Priority Mail Contract 135 and Parcel Return Service Contract 8, it has determined to not take any corrective action at this time. *Id.*

¹ Response of the United States Postal Service to Commission Request for Additional Information in the FY 2015 Annual Compliance Determination, April 27, 2016 (Response).

² Fiscal Year 2015 Annual Compliance Determination Report, March 28, 2016, at 82.

Please provide contract specific financial analyses that support the Postal Service's expectation that Priority Mail Contract 135 and Parcel Return Service Contract 8 will cover costs for FY 2016. As part of these analyses, please provide FY 2016 actual volume, cost, and revenue for quarters 1 and 2 and projected volume, cost, and revenue for quarters 3 and 4.

By the Acting Chairman.

Robert G. Taub